

## CENTRAL INTELLIGENCE AGENCY

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## REPORT

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## REQUIREMENT

## REFERENCES

This is UNEVALUATED Information

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SOURCE EVALUATIONS ARE DEFINITIVE APPRAISAL OF CONTENT IS TENTATIVE

1. Quality control in the metallurgy and machine industry of Hungary is patterned only partially after that of the USSR. In the USSR, the technical control sections (OTK) have the right to prevent faulty goods from leaving the enterprise, to withdraw faulty pieces from further processing, and to stop production in the interest of improving quality or reducing rejects. These steps may be taken even when they interfere with plan fulfillment.
2. To promote this freedom of action, the technical control sections in the USSR are subordinate not to the enterprise director but to a supervisory body or person within the Industrial Directorate of the Ministry. This person or body is responsible to a technical control supervisor who functions directly under the minister or first deputy minister. Despite this independence of authority, it has been found that many Soviet products sent to Hungary are of inferior quality.
3. In Hungary, the function of the quality control organ of the Ministry of Metallurgy and Machine Industry is to organize, equip, train, direct, and inspect the quality control groups at the enterprise level. This quality control organ has no final responsibility, since it is not permitted to interfere with plant affairs. Hungarian quality control in the metallurgical and machine industry is poor because of lack of instruments, trained personnel, and authority. Control over quality is actually exercised by the enterprise director. The following charts show the relative positions of the quality control organs in the USSR and Hungary:

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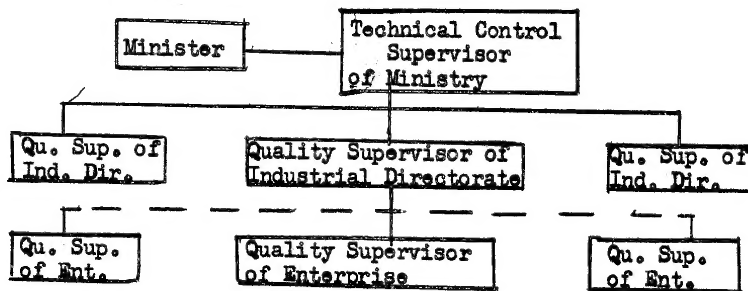
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A. Soviet Technical Control OrganizationB. Hungarian Quality Control Organization

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